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the Snap Shareholder Group*

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

IN RE SNAP INC.
SECURITIES LITIGATION

Case No. 2:17-cv-03679-SVW-AGR

CLASS ACTION

**DECLARATION OF SHARAN
NIRMUL IN SUPPORT OF THE
MOTION OF THE SNAP
SHAREHOLDER GROUP FOR
APPOINTMENT AS LEAD
PLAINTIFF**

Date: March 4, 2019

Time: 1:30 p.m.

Courtroom: 10A

Judge: Hon. Stephen V. Wilson

This Document Relates To: All Actions

1 I, Sharan Nirmul, declare as follows:

2 1. I am a partner with the law firm of Kessler Topaz Meltzer & Check, LLP
3 (“Kessler Topaz”), Lead Counsel for the class and counsel for the Snap Shareholder
4 Group, and I am admitted to practice *pro hac vice* before this Court. I am also counsel
5 to the Court-appointed Lead Plaintiff Thomas DiBiase (“DiBiase”), and proposed class
6 representatives Donald R. Allen (“Allen”) and Shawn B. Dandridge (“Dandridge”). I
7 submit this Declaration in support of the Motion of the Snap Shareholder Group for
8 Appointment as Lead Plaintiff.

9 2. Prior to the filing of the Amended Complaint, at my direction, Kessler
10 Topaz’s lawyers, investigators, and other employees conducted an extensive
11 investigation of the allegations alleged therein. In addition to extensive factual
12 research based on SEC filings, analyst reports, industry sources, and consultation with
13 experts, the investigation also included numerous interviews with former Snap
14 employees, including two former employees who are quoted extensively throughout
15 the Amended Complaint.

16 3. On June 7, 2018, the Court denied Defendants’ motions to dismiss and,
17 consequently, the PSLRA discovery stay was lifted. Since then, DiBiase and Kessler
18 Topaz, as well as Allen and Dandridge, have engaged in substantial, expedited
19 discovery efforts. The Court’s June 7, 2018 opinion required Plaintiffs to file their
20 motion for class certification by no later than September 5, 2018. Thereafter, the Court
21 set a trial date of March 12, 2019, which triggered expert disclosures by December 12,
22 2018, and a pre-trial order by February 14, 2019.

23 4. Recognizing the need to streamline the case given the Court’s pre-trial
24 schedule, we immediately developed a comprehensive discovery plan that sought to
25 complete all fact discovery by mid-January 2019, and expert discovery by February 4,
26 2019. In addition, we expedited class certification by entering into a stipulation with
27 Defendants that provided for a hearing on November 19, 2018, and briefing to be
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1 completed by November 5, 2018. The parties further agreed to expedite document
2 production and produce DiBiase, Allen, and Dandridge on an expedited basis.
3 Plaintiffs filed their class certification motion on August 30, 2018, a week ahead of the
4 Court's deadline.

5 5. Plaintiffs also streamlined the litigation in preparation for trial by entering
6 into tolling agreements and discovery cooperation agreements with the Underwriter
7 Defendants and the Director Defendants in exchange for voluntarily dismissing claims
8 against those defendants without prejudice. These defendants were fully indemnified
9 by Snap.

10 6. On June 29, 2018, DiBiase and Kessler Topaz served forty-nine unique
11 document requests on Snap and the Individual Officer and Director Defendants. At
12 the same time, DiBiase and Kessler Topaz served thirty-six unique document requests
13 on the Underwriter Defendants. Since that time, the parties have met and conferred
14 extensively regarding Defendants' document production. DiBiase and Kessler Topaz
15 also served interrogatories on Defendants, and DiBiase, Allen, and Dandridge have
16 responded to Defendants' interrogatories.

17 7. The parties appeared before Magistrate Judge Rosenberg, either in person
18 or via telephonic conference, for three discovery hearings. Kessler Topaz anticipates
19 raising additional issues related to Defendants' document production with Magistrate
20 Judge Rosenberg should the Snap Shareholder Group be appointed Lead Plaintiff.

21 8. DiBiase and Kessler Topaz also served fifteen document subpoenas and
22 four deposition subpoenas on third parties, including Ernst & Young, Jared Leto,
23 PriceWaterhouseCoopers, Oath, Sensor Tower, Anthony Pompliano, and numerous
24 other former Snap employees. Kessler Topaz has met and conferred extensively with
25 these third parties regarding their respective subpoenas and negotiations remain
26 incomplete on account of the partial stay of this litigation.

1 9. In response to these document requests and subpoenas, Kessler Topaz has
2 received the following productions to date: (i) more than 1.5 million pages from
3 Defendants; (ii) more than 26,000 pages from Snap's underwriters; and (iii) more than
4 1,800 pages from six additional third parties. Third party production was halted in
5 light of the motion docketed as ECF No. 168 and we anticipate substantial productions
6 from third parties in response to our subpoenas once the partial stay is lifted.

7 10. Defendants had represented that they expected to substantially complete
8 document production by no later than mid-January 2019, although the stay of the
9 litigation and the instant dispute has suspended the parties' efforts to meet and confer
10 on any outstanding deficiencies. Kessler Topaz anticipates receiving additional
11 documents from third parties, from whom production had been ongoing, once the stay
12 is lifted.

13 11. At my direction, a substantial portion of the documents that have been
14 produced, including documents identified as most likely to contain relevant
15 information through technology assisted review, have been reviewed by staff and
16 contract attorneys and synthesized for the litigation team. The litigation team has met
17 weekly with the document review team to discuss key documents identified during the
18 review, the import of these documents to the claims at issue, the relevance for experts,
19 and importance to our trial proof. Key documents have been built into our deposition
20 kits and proof.

21 12. In the course of discovery, the litigation team has identified over twenty-
22 five potential depositions, and honed in on fifteen for which deposition kits have been
23 developed. To date, we have noticed four depositions of current and former Snap
24 employees, as well as served a comprehensive notice of deposition on Snap under
25 Federal Rule of Civil Procedure 30(b)(6) ("Rule 30(b)(6)").

26 13. The parties met and conferred extensively on the topics on which Snap
27 would designate a Rule 30(b)(6) witness, and had reached substantial agreement on the
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1 scope of these depositions. All previously noticed depositions were set to begin at the
2 end of November, with depositions of three former Snap employees and four Rule
3 30(b)(6) corporate designees previously confirmed. While these depositions were
4 taken off calendar because of the partial stay, Kessler Topaz intends to take all such
5 depositions, and notice the remainder of the contemplated depositions, if the Snap
6 Shareholder Group is appointed Lead Plaintiff.

7 14. In anticipation of expert disclosures—which were previously due on
8 December 12, 2018 (*see* ECF No. 177)—DiBiase and Kessler Topaz retained two
9 merits experts and one damages expert. The litigation team has met extensively with
10 our experts, in person and telephonically, in preparation for expert disclosures which
11 were due on December 12, 2018. Each expert has done substantial work reviewing
12 case materials and preparing for that disclosure deadline.

13 15. DiBiase and Kessler Topaz also retained a trial consultant, who has
14 similarly engaged in substantial efforts to assist Kessler Topaz in preparing this case
15 for trial, which was previously set for March 2019.

16 16. DiBiase, Allen, and Dandridge have each engaged in substantial
17 discovery efforts as well. In addition to responding to interrogatories and producing
18 documents in response to Defendants' document requests, Allen and Dandridge were
19 deposed on September 19, 2018, and September 20, 2018, respectively.

20 17. As Defendants previously disclosed to the Court, the parties had engaged
21 a mediator and were preparing to mediate this case in accordance with the Court's
22 January 4, 2019 deadline for mediation when the issues concerning the Lead Plaintiff
23 arose.

24 18. Kessler Topaz, Allen, and Dandridge are aware of the substance of ECF
25 No. 168, and participated in the negotiation of ECF No. 179.

26 19. Kessler Topaz remains committed to aggressively litigating this case on
27 an expedited basis.

1 20. To date, Kessler Topaz has expended more than 20,000 attorney hours (or
2 more than \$7.5 million in lodestar) and hundreds of thousands of dollars in expenses
3 to advancing the interests of the class in this litigation.

4 21. True and correct copies of the following exhibits are attached:

5 Exhibit A: The Snap Shareholder Group's sworn certifications pursuant
6 to the Private Securities Litigation Reform Act of 1995.

7 Exhibit B: Chart of the Snap Shareholder Group's transaction and losses
8 in Snap Inc. securities during the Class Period.

9 Exhibit C: Joint Declaration in Support of the Motion of the Snap
10 Shareholder Group for Appointment as Lead Plaintiff.

11 Exhibit D: Firm résumé of Kessler Topaz Meltzer & Check, LLP.

12 I declare under penalty of perjury that the foregoing is true and correct to the
13 best of my knowledge.

14 Executed this 31st day of January 2019.

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Sharan Nirmul